

POLICY AND RESOURCES SCRUTINY COMMITTEE – 19TH JANUARY 2010

**SUBJECT: BUDGET MONITORING 2009/10 – CORPORATE SERVICES AND
MISCELLANEOUS FINANCE**

REPORT BY: DIRECTOR OF CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To provide information to Members relating to the budget for 2009/10 for Corporate Services Directorate including Miscellaneous Finance.

2. SUMMARY

- 2.1 The report projects the anticipated final outturn for these Services based upon expenditure and income trends for the first seven months of the year. The report will highlight any significant variances from the original estimates and tables showing the variances for each of the services are included as appendices.

3. LINKS TO STRATEGY

- 3.1 The contents in this report are in accordance with the Budget Strategy agreed by Council at its meeting on 5th March 2009.

- 3.2 The service areas within Corporate Services Directorate assist clients in meeting the Corporate themes of Education for Life, Regeneration, Health and Social Care and The Environment, and all areas seek to meet the Council's aim to:

'Carry out all services effectively and ensure value for money in service provision'.

- 3.3 Budget management itself is in accordance with the Corporate theme of 'Delivering the Strategies'.

4. THE REPORT

- 4.1 Corporate Services

- 4.2 After a planned use of Corporate Service reserves for one-off expenditure, spend is forecast to be in line with budget for 2009/10. Reasons for variances to budget are outlined below: -

- 4.3 The anticipated overspend of £86K in Legal Services, relates to the budget constraints on the service area due to a reduction in Land Charges income. This overspend has been managed down to £86k by the redeployment of staff who previously worked in the Land Charges Section. It is intended to use corporate service reserves to fund these one off costs.

- 4.4 The anticipated overspend of £95K in Corporate Finance is due to one off costs associated with the early release of one member of staff under the 85 year rule and the implementation of a new Sundry Debtor system. Revenue saving of £35k per annum has been taken in respect of the staff saving. The Sundry Debtors system had to be replaced, as after 10 years the software provider was not supporting the system.

- 4.5 Within the anticipated underspend of £144K on Information, Communications, Technology and Property Services, some £19k relates to Corporate Property, and arises largely due to energy savings & NNDR refunds of prior year payments and staff savings as a result of vacancy management, have been used to cover all early retirement costs within the year. The balance relates to delays in appointing staff.
- 4.6 The anticipated underspend of £27K in Procurement Services relates to delays in appointing staff.
- 4.7 Capital Financing – Charges
A £204k underspend is projected. This has arisen, in part, from the level of balances being higher than anticipated, due to delays in the making of Equal Pay and Job Evaluation payments, giving rise to investment income being higher than projected. Other contributory factors include reductions in statutory provisions for principal repayments, following the closure and audit of the 2008/09 accounts.

5. FINANCIAL IMPLICATIONS

- 5.1 This report deals with financial issues.

6. PERSONNEL IMPLICATIONS

- 6.1 There are no personnel implications.

7. RECOMMENDATIONS

- 7.1 Members are requested to note the contents of the report.

8. REASONS FOR THE RECOMMENDATIONS

- 8.1 To inform Members of the financial position of the Corporate Services Directorate including miscellaneous finance.

Author: D. Roberts – Grants Manager
Consultees: S. Rosser - Chief Executive
N. Barnett - Director of Corporate Services
N. Scammell, Head of Corporate Finance
D Perkins – Head of Legal Services
G. Hardacre – Head of People Management & Development
L. Lucas – Head of Procurement
P. Evans - Head of Information, Communications, Technology & Property Services
S. Grant - Finance Manager, Corporate Services
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Cllr. C. Mann – Cabinet Member for Finance, Resources & Sustainability
Cllr. J. Taylor – Chairman, Policy & Resources Scrutiny Committee
Cllr. M. E. Sargent – Vice-Chairman, Policy & Resources Scrutiny Committee

Background Papers:
Budget Monitoring Reports 2009/10
Estimates Working Papers 2009/10

Appendices:
Appendix 1 - Corporate Services & Miscellaneous Finance.